



SNUNEYMUXW FIRST NATION  
REQUEST FOR PROPOSAL  
SFN FORESTRY OPERATIONS

Proposal Deadline: June 19, 2013

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## 1.0 BACKGROUND INFORMATION

The Snuneymuxw First Nation (“SFN”) is seeking specialized strategic business advice relating to the creation of an SFN owned Forestry Operation to be based out of Nanaimo, B.C. The successful Proponent should have a solid understanding and experience with the local and regional forest economy for the development of a Forestry Economic Strategy and Business and Harvesting Plans including the creation and start-up of an SFN owned company focused on all aspects of the forest industry locally, regionally and abroad. The Proponent must also have a solid understanding of the Nanaimo River estuary economics and have experience with logging operations on fee simple lands.

The subject of this Request for Proposal (“RFP”) is related to developing:

- 1) a Forestry Economic Strategy and Business Plan for Forestry Operations; and
- 2) a Harvesting Plan for the SFN Forestry Operations.

The foundation for this strategy and business and harvesting plan will be 877.2 hectares located on or around Mt. Benson held in fee simple title by an SFN entity. A brief description of the forest lands are as follows:

Parcel		Total hectares
Block 202, Douglas District	Mount Benson 012	585.9
Block 271, Douglas District	Mount Benson 013	197.4
Block 18, Douglas District, Plan 691C	Mount Benson 015	93.9

[collectively referred to as the “Mt. Benson Forest Lands”]

Note the hectares are total gross hectares. No net down adjustments have been made. General overview maps of the Mt. Benson Forest Lands are attached as Appendix A to this RFP.

As part of the Forestry Economic Strategy and Business Plan and the Harvesting Plan the Proponent shall advise and work with Chief and Council to systematically plan how to harvest and steward those lands and other opportunities in the region to maximize employment and economic opportunities for the Nation.

## 2.0 DEFINITION OF TERMS

“SFN” shall mean the Snuneymuxw First Nation.

“RFP” shall mean this Request for Proposal.

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“Proposal” shall be the offer presented by the proponent.

### 3.0 OBJECTIVE

The successful Proponent is required to work with Chief and Council to develop a Forestry Economic Strategy and create a Business Plan and Harvesting Plan to develop a detailed vision for the development of an SFN owned Forestry Operation. This would include, but may not be limited to the Mt. Benson Forest Lands, Nanaimo River Estuary and other opportunities throughout Snuneymuxw territory. Part of this work will also include a review of the log booming and log storage facilities located in the Nanaimo River Estuary and surrounding areas currently being used by a number of different mills and logging companies.

This detailed Strategy, Business Plan and Harvesting Plan will provide the guidance for the creation, development and operation of the SFN owned Forestry Operation using the Mt. Benson Forest Lands as the foundation for the start-up of the operation. It will determine potential financial costs, both capital and operating, as well as provide planning parameters for starting up such a business.

### 4.0 TERMS AND CONDITIONS

The following terms and conditions will apply to this RFP. Submission of a Proposal indicates acceptance of all the terms that follow and that are included in any addenda issued by SFN.

- 4.1 Sealed Proposals clearly marked “*Request for Proposal –SFN Forestry Operations*” must be received by June 19, 2013 by the SFN office.
- 4.2 SFN may suspend or cancel this RFP at any time for any reason without penalty. SFN is not obligated to proceed with this RFP, or to accept any proposal for any reason.
- 4.3 Proposals received after the closing time will be returned unopened.
- 4.4 All Proposals and subsequent information or material received shall become the property of SFN and will not be returned. The Proposals will be held in confidence by SFN subject to the provisions of the *Freedom of Information and Protection of Privacy Act*.
- 4.5 Proposals may be withdrawn by written request only, at any time prior to the scheduled closing time.
- 4.6 Proposals remain valid for a period of ninety (90) days following the date for submission of Proposals.

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- 4.7 Prior to the date for submission of Proposals, proponents should not contact any other representative of SFN regarding the RFP, other than the representative identified in Section 7.3, without that representative's permission. Unauthorized contact with any SFN representatives, including members of Chief and Council, may be cause for the rejection of the proponent's Proposal.
- 4.8 Proponents are cautioned to carefully read and follow the procedures, terms and conditions required by the RFP, as any deviation, omission, as well as any inaccuracies or misstatements may be cause for rejection. However, SFN reserves the right at its sole discretion, to waive minor irregularities and defects in a Proposal, and proceed with that respondent.
- 4.9 No payment shall be made for costs incurred in the preparation and submission of a Proposal in response to this RFP.
- 4.10 Any information acquired about SFN by a proponent during this process must not be disclosed unless authorized by SFN in writing. This obligation will survive the termination of the RFP process.
- 4.11 The proponent, including all firms, corporations or individual members of a proponent, will promptly disclose to SFN any potential conflict of interest and existing business relationships they may have with SFN. SFN reserves the right to disqualify any proponent that in its opinion has a conflict of interest, whether such conflict exists now or is likely to arise in the future. Any conflict of interest that is known and not disclosed may result in termination.
- 4.12 All amendments or further information on this RFP will be published on the SFN website. It is the responsibility of the proponent to monitor these web sites to check for updates.
- 4.13 Any dispute arising from this RFP, or subsequent agreement, will be resolved according to the laws of the Province of British Columbia.
- 4.14 After the date for submission of Proposals, a proponent may make a change to the makeup of the proponent's membership team tasked to the duties outlined in the Proposal only with express written approval of SFN. SFN may refuse to permit changes of members who in the judgement of SFN have qualifications that were unique and essential to the proponent.

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## 5.0 SCOPE

### FORESTRY ECONOMIC STRATEGY AND BUSINESS PLAN

- 5.1 The first phase of this review will be the development of a Forestry Economic Strategy. Closely connected to and arising from the Strategy will be a detailed Business Plan.

### FORESTRY ECONOMIC STRATEGY

- 5.2 The Proponent should have solid knowledge of the local and regional forest economy and be able to provide advice on building relationships and negotiating with private sector forestry related companies on possible partnerships and markets for SFN timber with the goal of providing a year round, sustainable forestry operation for a new SFN owned Forestry Operation.

### BUSINESS PLAN

- 5.3 The Proponent shall provide specialized business advice on forestry related activities to Snuneymuxw Chief and Council and economic development professionals.
- 5.4 The Proponent shall conduct a detailed review of the Mt. Benson Forest Lands prior to providing a report with recommendations to Chief and Council on the creation, development and operation of an SFN owned Forestry Operation. The Proponent shall provide short, medium and long term plans (i.e. 1 year, 5 year, 10 year) for the roll out of such a company providing advice on how the SFN Forest Operations would maximize the employment and economic opportunities from a full range of forestry related opportunities connected with the Mt. Benson Forest Lands, Nanaimo River Estuary and other possible opportunities throughout SFN territory.
- 5.5 The Proponent shall provide a detailed vision and plan on how logging operations should commence, provide advice on different models/opportunities including but not necessarily limited to possible contracting out logging operations, possible joint venture and/or other type of partnerships or agreements, and setting up a wholly owned SFN Forest Operations to conduct the logging operations and other forestry related activities.
- 5.6 Specific advice shall include:
1. Advice on what is required to set up a successful SFN Forestry Operation, exhibiting knowledge and expertise by providing:
    - a) relevant equipment and personnel required referencing the costs associated with each and potential revenues to SFN from each model or opportunity;
    - b) the level of employment for SFN members provided by each model/opportunity; and

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- c) advice on training, internal SFN capacity building including business capacity building.
2. Advice on what different operations/opportunities should be included in an SFN Forestry Operation such as (but not necessarily limited to):
- a) Logging operations;
  - b) Log hauling;
  - c) Silviculture (planting, spacing, pruning, weed management);
  - d) Forest firefighting;
  - e) Logistics;
  - f) Internal SFN capacity building;
  - g) Developing skills and opportunities for SFN members interested in entering into the forest economy; and
  - h) The timing/phasing of each business opportunity.
3. Use of the Mt. Benson Forest Lands following harvesting including but not necessarily limited to:
- a) Forestry/Silviculture; and
  - b) Land development.
- 5.7 A detailed Business Plan should:
- a) define the potential market and customers;
  - b) evaluate the characteristics of the Mt. Benson Forest Lands and an assessment of those blocks;
  - c) propose size ranges for the operations and equipment and personnel necessary for each opportunity;
  - d) determine future staffing requirements;
  - e) make recommendations concerning the functional needs of a new SFN Forestry Operation;
  - f) estimate range of capital costs required to create and outfit a new SFN Forestry Operation;
  - g) propose a timeline for planning and business start-up;
  - h) identify possible funding sources and fundraising strategies;
  - i) identify possible partnerships and markets; and
  - j) define approaches for engaging with private sector companies.
- 5.8 The different possible functions of the SFN Forestry Operation shall be analyzed. The feasibility study must:
- a) evaluate the characteristics of proposed timber blocks and complete assessments of these available sites;

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- b) propose size, service and business opportunity ranges for the SFN Forestry Operation and the space, buildings, equipment and personnel necessary;
- c) make recommendations of the number of business opportunities that would be feasible;
- d) estimate capital costs to construct and outfit the SFN Forestry Operation;
- e) make recommendations concerning the operations of a new SFN Forestry Operation;
- f) evaluate the potential functions and start-up costs associated with a new SFN Forestry Operation;
- g) identify and evaluate other potential options to enhance or improve accessibility to other timber resources; and
- h) appraise the efficiency of different business models while assessing the net return to SFN over time.

HARVESTING PLAN

- 5.9 As part of the overall Business Plan the Proponent shall also provide a detailed Harvesting Plan.
- 5.10 The Proponent shall advise Council on the statutory regime for forestry operations on fee simple lands in British Columbia by:
- a) advising what type of timber harvesting is allowed and what restrictions exist, if any;
  - b) advising on annual cuts and advising on different scales and models of harvesting comparing such things as rate of harvest; and
  - c) by conducting a thorough review of the Mt. Benson Forest Lands the Proponent shall advise Council on what is required for year round sustainable harvesting i.e. how many hectares are required and the annual rate of cut and projected revenues.
- 5.11 As part of the overall planning process the Proponent shall also create a plan for harvesting and selling timber in order to maximize revenue to SFN reviewing such things as:
- a) all possible markets for SFN timber, advising on different rules that now may apply with each market;

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- b) selective logging to maximize value of specific tree size and/or species – i.e. sell smaller trees to specialty mills, larger trees to sawmills etc. or for export;
- c) selling all logs to one source; or
- d) a combination of the above.

5.12 As part of the overall planning process and harvesting plan the Proponent shall conduct a review of the Mt. Benson Forest Lands and develop a plan for harvesting looking at key items such as where to begin logging operations that support the short, mid and long term plans and advising Council on items such as:

- a) If harvesting is sustainable identify which area(s) are preferential to commence harvesting so that replanting can occur.
- b) If harvesting is not sustainable identify which area(s) are preferential to harvest then sell parcels as development lots.
- c) The economics of the harvesting plan reviewing the proximity to existing infrastructure and the cost to build new infrastructure.

## **6.0 PRICE PROPOSAL**

Proponents must bid a firm price for the work. The Proposal price must include the following points:

- a) a price breakdown including hourly rates, direct expenses, subcontracts (if applicable), internal costs, travel costs, and other applicable costs;
- b) identify to the number of hours each team member will be involved in the project; and
- c) must be in Canadian dollars.

## **7.0 SUBMISSION**

7.1 The proponent must submit three (3) signed and dated hard copies of Proposals sealed in an envelope marked 'Confidential' on or before June 19, 2013 as well as an electronic (PDF format) copy. Electronic Proposals may be submitted via email or flash drive.

7.2 Email submissions may be sent to [pauls@snuneymuxw.ca](mailto:pauls@snuneymuxw.ca).

7.3 Delivery by mail or by hand may be made and addressed to:

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Snuneymuxw First Nation  
c/o Paul Silvey – Economic Development Coordinator  
668 Centre Street  
Nanaimo BC V9R4Z4

The envelope must be labelled:

**‘Request for Proposal – SFN Forestry Operations**

7.4 All requests for clarification must be received in writing by the individual listed at 7.3 at least five (5) working days prior to the closing date to allow written clarification to be issued to all respondents.

7.5 It is requested that Proposals submitted in response to this RFP be reflective of the following points:

- a) valid in all aspects, including price, for not less than ninety (90) days from the closing date of this RFP;
- b) signed by an authorized representative of the proponent; and
- c) provide the name and telephone number of a representative who may be contacted for clarification or other matters relating to the proponent’s Proposal.

**8.0 CONTENT**

All Proposals are required to provide the following information:

- a) a company profile outlining its history and target market;
- b) information on key personnel and their relevant qualifications and experience;
- c) a detailed listing experience in the forest industry;
- d) a detailed listing experience in forestry economics;
- e) experience working with First Nations communities;
- f) availability of proponent to complete this work;
- g) a description of how the work will be approached, how it will be assigned to the various participants, and how it will be managed;

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- h) a detailed schedule including overall timing in weeks and anticipated completion dates of all key elements;
- i) all costs including research, analysis and final report and payment terms; and
- j) reference materials such as studies previously undertaken by the proponent.

## **9.0 SELECTION AND EVALUATION**

9.1 Proposals will be evaluated using the following criteria:

- a) understanding of the overall vision for the project, as well as the desired outcomes and objectives;
- b) quality of the Proposal;
- c) accessibility and responsiveness to the RFP process;
- d) previous related experience;
- e) work program and schedule;
- f) costs;
- g) interview (if required); and
- h) references (if required).

9.2 Proposals will be short-listed through an evaluation process. The firms short-listed may be asked to make a technical presentation. In this regard, a separate communication shall be sent to all short-listed firms.

Any inquiries regarding this Request for Proposal may be directed to the following contact:

Name: Paul Silvey  
Address: c/o Snuneymuxw First Nation – Economic Development  
668 Centre Street  
Nanaimo BC V9R4Z4  
Telephone: 250-740-2300  
Email: pauls@snuneymuxw.ca



